Weaver B. Haney

Interview with

John Bowman, Co-Owner and Operator of Tipping Point Brewery, LLC.

Mr. Bowman has been self-employed since he was 21 years old. He started his current business venture four years ago when he was 50 years old. The Tipping Point Tavern is a combined microbrewery and restaurant located on Main Street in Waynesville, NC.

I conducted this interview on Aug 26, 2014.

Q. What lead you to open a microbrewery?

A. I had always had an interest in craft beers and I saw a market and a need for a brewery/restaurant on Main Street in Waynesville. The time and place were right.

Q. How did you choose the name Tipping Point?

A. I chose the name because it has multiple meaning. The craft beer movement had reached a “tipping point” in the area such that Waynesville could support a brewery. Also you “tip” your beer and “tip” your waitress. It was only later that I googled the name and found it was also the title of a book.

Q. What is your corporate structure?

A. LLC with eighteen employees including three owners.

Q. What were some of the challenges you faced in starting your business?

A. First was financing. Then there were challenges with construction and remodeling. Next, licenses and permits.

Q. Was staffing a problem?

A. No, that was the easy part. The local labor market supplied all the employees we needed.

Q. How did you finance the business?

A. We used creative financing. It was a combination of personal contributions and loans. No shares were sold. The three owner are on equal footing.

Q. When problems arise how do you resolve them?

A. It depends on the severity of the problem. For major problems involving the expenditure of money, such as construction, I would consult the other owners. I manage employees on my own.

Q. How do you recruit employees?

A. Based on our reputation as a good company to work for employees come to us. We use word of mouth referrals.

Q. How do you train new employees?

A. It varies with the position. We use shadowing. A new employee shadows an experienced person on three different shifts. Employees are hired on a 60 day probationary period. We also send our employees to Serve Safe Certification training.

Q. How do you motivate and reward people?

A. In the front of the house employees are self-motivated. Good service leads to good tips. For the back of the house we do regular performance reviews and raises as deserved. We also do one group outing per year and an annual Christmas party. Only the partnership has equity in the business.

Q. How do you reprimand employees?

A. We use written notices. There is no set number of warning that would lead to termination. That depends on the severity of the issue. For example, a problem with safety or health would receive a single warning.

Q. What is the current status of your company? Are you growing, down-sizing, or staying the same?

A. We are growing. We plan to expand our brewery operation. We have space off-site to expand.

Q. Will you be bottling your beers?

A. No we will first supply it in kegs then maybe cans. Bottles are too heavy. Cans are light weight and light tight.

Q. How do you keep up with current best practices in the brewing industry?

A. We use everything: on-line resources, some trade journals. We plan to go to conferences in the future.

Q. What are some of the quality control problems associated with brewing?

A. Infection of the beer with unwanted bacteria or yeasts. We prevent these problems by using standard cleaning procedures and process monitoring.

Q. How do you develop the recipes for your beer?

A. Every beer style starts with a basic recipe and you “tweak” it to suit your customer’s tastes. Specific ingredients are used for each style and there are millions of variations on the styles.

Q. How do you name your products?

A. We (the partners) brainstorm ideas for names that are both cool and descriptive.

Q. How do you market your products?

A. We use Facebook and word of mouth.

Q. What are some of the fixed and variable costs associated with a brewery?

A. Fixed costs include rent and salaries. Variable costs are things like ingredients, chemicals and utilities.

Q. What do you do to keep costs low?

A. Smart ordering and inventory control. Monitoring water and gas usage. Reusing water as much as possible.

Q. How much time is reasonably required before I can reach profitability?

A. That is impossible to answer without knowing your financing structure and how much you plan to produce.

Q. How do you maintain the atmosphere or environment of your business?

A. We have owners on the premises daily. We attempt to attract a broad spectrum of clientele.

Q. I have heard you refuse to show the Ultimate Fight Championships on television.

A. That’s true.

Q. What does your company do for philanthropy?

A. We have an annual golf tournament that benefits disabled veterans. We do around 100 gift certificates a year for various causes. We also do Toys for Tots.

Q. Thanks very much for your time. Our instructors wanted us to interview someone with real world experience in entrepreneurship.

A. Why did you come here? This isn’t the real world!